campaigns, to limit contributions by multicandidate political committees, and for other purposes.

The Senate resumed consideration of the bill.

Pending:

Byrd-Boren Amendment No. 305, in the nature of a substitute.

The ACTING PRESIDENT pro tempore. Who yields time?

The Senator from West Virginia.

RECESS FOR 15 MINUTES

Mr. BYRD. Mr. President, I ask unanimous consent that there be a recess for 15 minutes, with the time to be equally charged.

There being no objection, the Senate, at 9:16 a.m., recessed until 9:31 a.m.; whereupon, the Senate reassembled when called to order by the Acting President pro tempore.

The ACTING PRESIDENT pro tempore. The Senate will come to order.

Mr. BYRD. Mr. President, I suggest the absence of a quorum and I ask that the time be charged equally.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

RECESS UNTIL 9:50 A.M.

Mr. BYRD. Mr. President, Senator BOREN is in the Intelligence Committee at this moment. Other Senators are working in committees. I have discussed with the distinguished Senator from Kentucky [Mr. MCCONNELL] the necessity of either staying in a quorum for the moment or recessing, and so he and I have agreed that we will recess until 10 minutes to 10 o'clock. So I ask unanimous consent that the Senate stand in recess until 9:50 a.m. today with the time to be equally charged against both sides.

There being no objection, the Senate, at 9:35 a.m., recessed until 9:50 a.m.; whereupon, the Senate reassembled when called to order by the Acting President pro tempore.

The ACTING PRESIDENT pro tempore. The Senator from Kentucky.

Mr. MCCONNELL. Mr. President, we have been on S. 2 for 2 weeks and 2 days.

Clearly, it is possible for the Senate to pass a meaningful campaign finance reform bill. The distinguished majority leader has indicated that his side is willing to talk, and I reiterate the observations of the Republican leader yesterday, that the leadership group on this side consisting of Senator STEVENS, Senator BOSCHWITZ, Senator PACKWOOD, and myself, has been saying for some 2 weeks and 2 days that we would like to sit down with those on the other side of the aisle and have a discussion on formulating a truly meaningful campaign finance reform bill.

There are a number of areas upon which we can agree. The Senator from Oklahoma and I yesterday discussed "soft money". We discussed independent expenditures. We discussed the need for effective controls on PAC's. We have discussed over the weeks the problem of the millionaires' loophole. These are the real problems that our constituents have spoken against, in letters, in calls, and even in editorials supplied by Common Cause. As I mentioned yesterday, only a very small percentage of these editorials that pile up on our desks advocate public financing and spending limits to bring down overall spending. Most just want to control the PAC's.

But today, I'm going to talk about the millionaires' loophole and independent expenditures, under current law, under S. 2, and under McConnell-Packwood. I am proposing today a constitutional amendment to deal with these campaign finance abuses, and I might add that we usually think that constitutional amendments take a long time to pass.

The constitutional amendment that I will be introducing is simple, direct, and strongly supported in this body. It would grant to this body and to the various State legislatures the authority to regulate what an individual could put into his own campaign from personal funds, just as we have the constitutional authority to regulate what any of us can put into somebody else's campaign from personal funds. It would also grant to the Congress and to the various State legislatures the authority to regulate the independent expenditures.

In the course of the debate on campaign finance reform, Members on both sides of the aisle have decried the ease with which wealthy candidates can virtually purchase congressional seats, and the surge of independent expenditures in campaigns.

Both of these campaign abuses are the result of loopholes in the Federal election law, carved out by the Supreme Court decision in *Buckley* v. *Valeo*, 424 U.S. 1 (1976). In that decision, the Supreme Court held that restrictions on campaign expenditures from personal funds and on independent political expenditures are violations of the first amendment guarantee of freedom of speech. Thus, the "millionaires' loophole" and the independent expenditure loophole are constitutional problems, and will not be corrected by any clever statutory incentive or spending of public moneys.

That is why I introduce today a joint resolution to amend the Constitution, to allow Federal, State, and local governments to restrict the spending of personal funds in campaigns, and the amount of independent expenditures in election cycles. Unlike a broad amendment to limit all campaign spending, this amendment would quickly pass through the Senate and be ratified by the State legislatures. It is a measure for which I have heard nothing but unqualified support.

I do not dispute that my earlier campaign finance reform bill, S. 1308, offers only imperfect solutions to the millionaires' loophole and independent expenditure problems. It is true, for example, that wealthy candidates could spend up to $250,000 in personal funds before S. 1308 would provide relief to opponents. And although my earlier bill incorporates the same restrictions and reporting requirements that S. 2 applies to independent expenditures, it is unlikely that any of these administrative constraints will curb the negative practices of independent expenditures.

S. 2, the taxpayer campaign finance bill now before the Senate, tries to address these two problems by spending the taxpayers' money. Candidates, facing wealthy opponents or negative ads financed by independent expenditures, would be armed with additional public funds—funds that would be diverted from farm programs, Social Security, education, and our antidrug war. Yet, S. 2 would probably not discourage wealthy candidates from sinking their personal fortunes into campaigns, particularly since S. 2 doesn't give the opponent much to compete with. Under S. 2, a candidate from the State of Arkansas would get a maximum of $1,727,200 to do battle with a millionaire. An Oklahoman would get $1,989,500, and a Coloradan would get $1,998,000. This is a lot of money to our taxpayers, but not much at all to a millionaire, unless he's a rather poor millionaire.

Further S. 2 hopes to limit independent expenditures by compensating each attacked candidate for the full amount spent against him or her. This candidate compensation fund again comes from the American taxpayer. Last year, independent expenditures totaled nearly $5 million in Senate races; thus, we can safely tack another $5 million onto S. 2's $100 million price tag, and another $5 million onto the overall amount of campaign spending allowed under S. 2.

Will those who now spend hundreds of thousands of dollars to express their political views independently be deterred simply by the spending of taxpayers' money against them? Mr. President, I think not. Will candidates be compelled to tap the public till every time they believe they are being unfairly treated in an independent ad? Mr. President, I hope not. It is apparent that S. 2's independent expenditure provision is just another loophole to funnel more of the taxpayer's money into our reelection campaigns.

Another $5 million every election year is obviously not very much to those who seek to dominate the political debate with independent expenditures—but it is a lot of money to the American taxpayer, and we shouldn't be throwing it away on a proposal that won't benefit anyone except broadcasters.

Neither administrative constraints nor government entitlements will prevent well-heeled individuals and groups from independently trying to influence elections. Nor will wealthy candidates be deterred from trying to purchase congressional seats merely by S. 2's costly but ineffective millionaires' loophole provision.

These are constitutional problems, demanding constitutional answers. This Congress should not hesitate, nor do I believe that it would hesitate, to directly address these imbalances in our campaign finance laws. I offer this constitutional amendment in the sincere hope that the Senate will begin to turn its attention to the real abuses in campaign finance—the millionaires' loophole, independent expenditures, political action committee contributions, and "soft money"—and develop simple, straightforward solutions, rather than strangle the election process with overall spending limits and a larger political bureaucracy.

Mr. President, I ask unanimous consent that this constitutional amendment be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S.J. RES. 166

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the following article is proposed as an amendment to the Constitution of the United States, which shall be valid to all intents and purposes as part of the Constitution when ratified by the legislatures of three-fourths of the several States within seven years from the date of its submission to the States by the Congress:

"ARTICLE —

SECTION 1. The Congress may enact laws regulating the amounts of expenditures a candidate may make from his personal funds or the personal funds of his immediate family or may incur with personal loans, and Congress may enact laws regulating the amounts of independent expenditures by any person, other than by a political committee of a political party, which can be made to expressly advocate the election or defeat of a clearly identified candidate for Federal office.

SECTION 2. The several States may enact laws regulating the amounts of expenditures a candidate may make from his personal funds or the personal funds of his immediate family or may incur with personal loans, and such States may enact laws regulating the amounts of independent expenditures by any person, other than by a political committee of a political party, which can be made to expressly advocate the election or defeat of a clearly identified candidate for State and local offices.".

Mr. McCONNELL. Mr. President, these two areas have repeatedly been agreed by both sides to be at the crux of the problem. What distorts the process, of course, is the ability of an individual of unlimited wealth to put literally everything he has into his own campaign; whereas, if he were contributing to anyone else's campaign, he would be limited to $1,000 in the primary and $1,000 in the general election. That is clearly unfair, and we ought to cure it. We can cure it, however, only with a constitutional amendment.

Another unfairness that we all agree on is the independent expenditure, again a constitutionally protected area of expression, according to the Supreme Court decision in Buckley versus Valeo.

This constitutional amendment that I propose would grant to the Congress and to the various State legislatures the right to deal with that problem.

Mr. President, if we dealt with three areas of great concern: The closing of the millionaires' loophole, the ability to regulate independent expenditures, and the cost of broadcast time, which we can address simply by statute, we would have passed in this body the most meaningful campaign finance reform since Watergate.

The third area I just referred to, Mr. President, is the cost of television. What has driven up the cost of campaigns in the last several years has been the cost of television advertising. Candidates have to use television because it is the most effective way to reach our people and communicate ideas. That is particularly true in the large States. My colleagues from New York, California, Texas, and Florida could shake hands all day, every day, for the rest of their lives, and never make a dent in the huge populations in their States, let alone discuss the issues that concern the citizens of those States. Clearly, both incumbents and challengers should be able to use television to reach our people.

What has happened, Mr. President, is that the broadcast stations in America have raised the rates they charge during key times in political campaigns, and have made handsome profits on the candidates, in terms of the cost of advertising.

We could in this body pass legislation that would, for example, require television stations to grant to candidates television time at the lowest unit rate of the previous year, for the class of time purchased. This would dramatically lower the cost of campaigns, and give us all an ability to afford the broadcast time which is absolutely essential to modern political communication.

What happened in Kentucky last May, just last month, is typical of what goes on all over America. The lowest unit rate skyrocketed just prior to the election, such that the "discount" given to candidates amounted to nothing—it was like offering a 25-percent-off sale after a 100-percent price increase. That problem, Mr. President, could be solved by legislation.

These are the kinds of agreements that we can reach together. I hope we can work together on direct, simple solutions to the real problems that plague our campaign finance system.

The ACTING PRESIDENT pro tempore. The time of the Senator from Kentucky has expired.

Mr. McCONNELL. Mr. President, I ask unanimous consent for 1 more minute.

Mr. BYRD. Mr. President, I yield to the distinguished Senator from Kentucky 1 minute from our side.

The ACTING PRESIDENT pro tempore. The Senator from West Virginia has yielded 1 minute to the Senator from Kentucky.

Mr. McCONNELL. I thank the distinguished majority leader.

The Senate could solve these key problems by the passage of the kind of constitutional amendment I outlined earlier. I believe that this resolution, unlike most constitutional amendments, would zip through this body and zip through the State legislatures; I believe that, by passing a statute that did something meaningful about the cost of television, we would bring down the cost of campaigns without deterring public participation through contributions.

Those accomplishments would be real reform, Mr. President, and we stand ready on this side to sit down with the leaders on the other side at any time, to work out the kind of bipartisan reform package that we all know will have to be reached, in order to pass any meaningful campaign reform legislation in 1987.

The ACTING PRESIDENT pro tempore. The Senator from Kentucky yields the floor.

Mr. McCONNELL. I yield the floor.

The ACTING PRESIDENT pro tempore. The Senator from West Virginia.

Mr. BYRD. Mr. President, if the Chair will indulge me momentarily and charge the time.

Mr. President, a parliamentary inquiry.

The ACTING PRESIDENT pro tempore. The Senator will state it.

Mr. BYRD. Mr. President, how much time do I have remaining?

The ACTING PRESIDENT pro tempore. Two minutes and 14 seconds.

Mr. BYRD. Mr. President, of course, I have listened with great interest and riveted attention to the urging that we need to meet and discuss compromise. But the problem is that the distinguished Senator from Kentucky [Mr. McCONNELL] and I say this with all due respect, insists that we can com-